

**Remarks for Senate Committee on Public Health,
Senior Issues, Long Term Care & Privacy**
Regarding Assembly Bill 674
*By Representative Kitty Rhoades & Senator Decker,
at the request of Governor Doyle*
March 5, 2008



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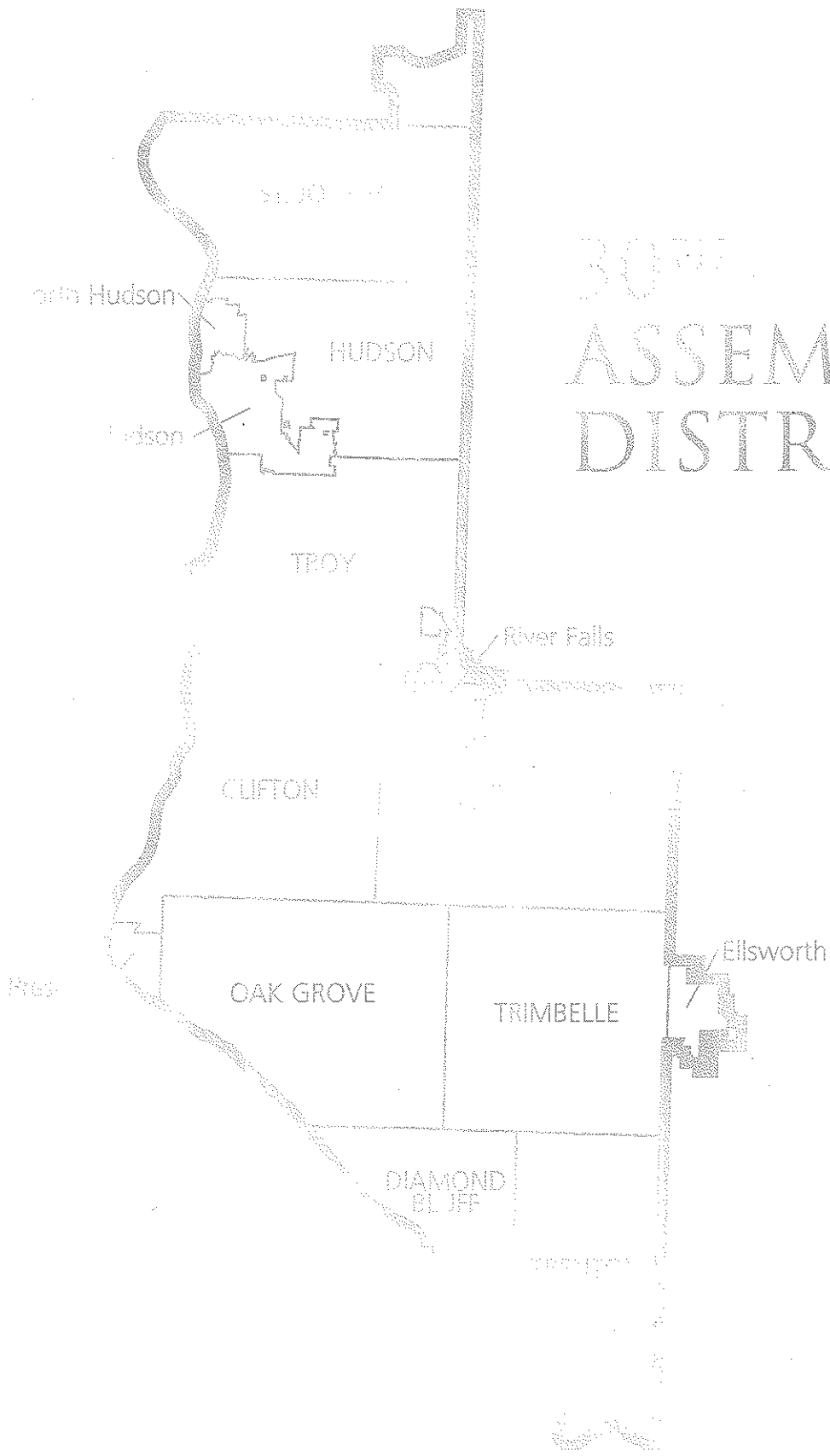
Thank you for having a public hearing on Assembly Bill (AB) 674 and providing me the opportunity to testify in support of this legislation. This proposal originated as part of Governor Doyle's 2007-09 State Budget proposal and has strong bipartisan support. It was approved by the Assembly Aging and Long Term Care Committee 10-0 and by the State Assembly on a voice vote.

AB 674 lowers the statewide licensed nursing home bed cap from the current 51,795 beds to 42,000 beds. As fewer licensed nursing home beds are occupied, it is reasonable that the statewide licensed nursing home bed cap decreases to reflect that trend.

However, as the number of licensed nursing home beds decreases, the flexibility for transferring licensed beds to areas that need them must also increase to ensure beds are available where they are needed. Therefore, AB 674 increases the flexibility for nursing facilities to transfer licensed nursing home beds from one bed allocation area to an adjacent area.

Under current law, licensed nursing home beds may be transferred only if the transferring and receiving nursing homes are within the same bed allocation area or if the receiving nursing home is located in *a county that adjoins* the bed allocation area of the transferring nursing home. AB 674 states that licensed nursing home beds may be transferred if the transferring and receiving nursing homes are within the same bed allocation area or if the transferring and receiving nursing homes are in *adjoining bed allocation areas*.

In addition to the bipartisan legislative support for AB 674, this proposal is also supported by FiveStar Quality Care Inc, HCR Manor Care, Kindred Healthcare, Wisconsin Association of Homes & Services for the Aging Inc, and the Wisconsin Health Care Association.



3037 ASSEMBLY DISTRICT

TO: Senator Tim Carpenter, Chair, and Members of the Senate Committee on Public Health, Senior Issues, Long Term Care, and Privacy

FROM: Jim McGinn, Wisconsin Health Care Association

DATE: March 5, 2008

RE: Assembly Bill 674

The Wisconsin Health Care Association (WHCA) is a statewide organization which represents 180 proprietary, non-profit, and municipal homes as well as community based residential facilities, residential care apartment complexes, and other providers of long-term care services.

WHCA supports AB 674, introduced by Representative Kitty Rhoades and Senator Russ Decker, by request of Governor Jim Doyle.

As Co-Chairs of the Joint Finance Committee, Representative Rhoades and Senator Decker agreed to remove approximately 50 items advanced by the Governor in his budget proposal, including changes to the statewide bed cap and nursing home bed transfers. Because this proposal was considered policy, not a fiscal matter, it was removed from the budget and advanced as a separate bill. Accordingly, Representative Rhoades and Senator Decker introduced AB 674.

AB 674 was approved by the Assembly early last Friday morning on a voice vote. Briefly, the bill reduces the statewide nursing home bed cap from 51,795 to 42,000 and allows the transfers of nursing home beds to an adjoining planning area. For your information, the bill was approved by the Assembly Aging and Long Term Care Committee on a unanimous vote, and, to my knowledge, is not opposed by anyone.

Included on the back page are the current 7 designated health planning areas. Again, the bill will simply allow the transfer of beds to an adjoining planning area.

In the past several years, over 5,000 nursing home beds have been closed as facilities focus on rehabilitating the elderly and disabled and returning them to home or other long-term care settings. At the same time, the baby-boomers are aging and will need additional long-term care services in the very near future. AB 674 will simply allow nursing homes the flexibility to move beds from one area of the state to an adjoining area to address the increase demand for long-term care services.

WHCA respectfully requests the Committee's support for AB 674.

HEALTH AND SOCIAL SERVICES

334-5
HSS 122

APPENDIX A

Designated Health Planning Areas in Wisconsin
[HSS 122.03 (15)]

Health Planning Area #1

Columbia, Dane, Dodge, Grant, Green, Iowa, Jefferson, Lafayette, Richland, Rock, Sauk counties

Health Planning Area #2

Kenosha, Milwaukee, Ozaukee, Racine, Walworth, Washington, Waukesha counties

Health Planning Area #3

Calumet, Fond du Lac, Green Lake, Marquette, Outagamie, Waupaca, Waushara, Winnebago counties

Health Planning Area #4

Brown, Door, Kewaunee, Manitowoc, Marinette, Menominee, Oconto, Shawano, Sheboygan counties

Health Planning Area #5

Barron, Buffalo, Chippewa, Clark, Crawford, Dunn, Eau Claire, Jackson, La Crosse, Monroe, Pepin, Pierce, Polk, Rusk, St. Croix, Trempealeau, Vernon counties

Health Planning Area #6

Adams, Florence, Forest, Juneau, Langlade, Lincoln, Marathon, Oneida, Portage, Taylor, Vilas, Wood counties

Health Planning Area #7

Ashland, Bayfield, Burnett, Douglas, Iron, Price, Sawyer, Washburn counties